



Nalcor Energy awards EPCM contract to SNC-Lavalin for Phase One of the Lower Churchill Project

March 24, 2011, St. John's, NL – Nalcor Energy announced today it has awarded the engineering, procurement and construction management (EPCM) contract for components of Phase One of the Lower Churchill Project, Muskrat Falls, to SNC-Lavalin.

"Nalcor Energy has negotiated a contract that is not only in the best interest for the development of the Lower Churchill Project, but also in the best interest of the people of Newfoundland and Labrador," said Gilbert Bennett, Vice President, Nalcor Energy Lower Churchill Project.

Nalcor previously issued a letter of intent to SNC-Lavalin for the work in December 2010. SNC-Lavalin specializes in hydroelectric developments, transmission, High-Voltage direct current and civil works, which are critical to successful project construction.

The EPCM contract includes the Muskrat Falls Generating Facility and the Labrador – Island Transmission Link. Nalcor may also extend the contract for work on Phase Two – Gull Island and the Maritime Link. A decision on an EPCM contractor for the Maritime Link will be made in conjunction with Nalcor's partner, Emera Inc. The contract does not include the Strait of Belle Isle subsea crossing or the Maritime Link. Nalcor Energy will conduct the work related to the strait crossing using a specialized contractor.

SNC-Lavalin is a Canadian company with offices across Canada and around the world, including Newfoundland and Labrador. Engineering and procurement for the Lower Churchill Project will be performed primarily from SNC-Lavalin's office in St. John's. As the Project progresses, construction management will occur predominantly at the Muskrat Falls generating site in Labrador, as well as at various transmission locations in Labrador and on the island.

The EPCM contract aligns with the Project's Benefits Strategy, ensuring Newfoundlanders and Labradorians are the primary beneficiaries of the Lower Churchill Project.

**About Nalcor Energy**

Nalcor Energy is headquartered in St. John's, NL, Canada. Its business includes the development, generation, transmission and sale of electricity; the exploration, development, production and sale of oil and gas; industrial fabrication and energy marketing. Focused on sustainable growth, the company is leading the development of the province's energy resources and has a corporate-wide framework which facilitates the prudent management of its assets while continuing an unwavering focus on the safety of its workers and the public. Nalcor currently has five lines of business: Newfoundland and Labrador Hydro, Churchill Falls, Oil and Gas, Lower Churchill Project and Bull Arm Fabrication.

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